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## SW Florida home sales' drop among highest in state

## ■ Prices up but lag behind other areas in March

By June Fletcher

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The drop in closed home sales in Southwest Florida in March was among the highest in the state, a new report shows. And while home price growth is still positive in the region, it lags the rest of the state, according to Florida Realtors, which on Wednesday released its year-over-year statistics for March.

Business

Brad O'Connor, chief economist for Florida Realtors, said it's hard to say whether this is a sign of a lasting trend for Southwest Florida.

"We were expecting sales to settle down," he

said. "Last year was exceptional."

Single-family closed sales fell 14.5 percent in March, to 420 from 491 a year earlier, in the Naples-Immokalee-Marco Island metro area. In Cape Coral-Fort Myers, they fell 13.2 percent, to 1,115 from 1,284.

Of 22 metro areas the trade group tracks, only Punta Gorda saw a greater drop during the period for closed single-family sales, to 359 from 467, a 23.1 per-

cent decline

Closed sales of town houses and condos fell 27 percent in the Naples area, to 476 from 652, and 18.6 percent in the Cape Coral-Fort Myers market, to 601 from 738.

Only small Florida markets showed greater declines in closed multifamily sales, the statewide trade group reported.

Homosassa Springs in Citrus County had 20 sales in March, a 37.5 percent drop from 32 a year earlier, while Sebastian-Vero Beach in Indian River County saw sales drop 34.4 percent, to 63 from 96.

The slowdown in home sales was felt throughout the state.

But O'Connor said he didn't see it as a bubble popping but "a readjustment to what conditions were 10 to 20 years ago before things got too weird."

Statewide, single-family closed sales fell by less

than 1 percent, to 23,758 from 23,902 a year earlier. Pending sales also fell 6.3 percent statewide, to 27,243 from 29,709.

Town houses and condos saw closed sales fall 7.1 percent statewide, to 10,076 from 10,843, while pending sales fell 10.1 percent

Median home prices continued to grow in most metro areas of the state.

See HOMES, 2B

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#### Graduation

The Leadership Collier Foundation, an affiliate of The Greater Naples Chamber of Commerce, announced the graduates of the 2016 Class of Leadership Collier and Growing Associates in Naples.

**Leadership Collier:** Leeza Arkhangelskaya, Ann Bares, Carla Bogart, Beth Brainard, Tabatha Butcher, Cathy Carroll, Kim Chen, Tracy Connelly, Mitch Cordova, Jamie Cunningham, James D. Dati, Dennis d'Auvergne, Laura DeJohn, J Shawna Devlin, Darlyn Estes, Teri Evans, Jonathan Foerster, Sarah Frye, Courtney Jolly Goff, Mary Beth Geier, Allie Harrison, Niccole Howard, Rochelle Jackson, Aaron Lapp, Cristin Madden, Amanda Maurizi, Shannon Morgan, Stefan Muehlbauer, Danny Pate, Thomas Powers, Timothy Reiter, Yasmin Saad, Dylan Sanders, Fidelity Sandy Stoner, Andrea Sturzenegger, Diane Terrill, Joe Tornincaso, Greg Turchetta, Rachel Van Blaricom, Bill Varian, Eric West and Patrick White.

**Growing Associates in** Naples: Jennifer Adams, Michael Allen, John Antonacci, Tate Baker, Meredith Barnard, Jeremy Bennington, Barry Boran, John Paul Bratcher, Kelly Cooper, Tracy Duhaney, Jennifer Dumford, Tyler Esposito, Julianne Gilmore, Matthew Goodwin, Sarah Hawes, Ashlea Heck, Jaime Hewitt, Steven Iannaccone, Rachel Kerlek, Joseph Kramp, Hadley Lolli, Jenna Main, Meredith McLean, J. Tyler McMackin, Richard Michel, C. Todd Morrison, Andrew Nelson, Nancy Nycum, Priscylla Oliva, Yesenia Pedraza, Noemi Perez, Kristi Pickard, Christopher Rossi, David Ruben, Spencer Smith, Emily Sumpmann, Ryan Tarnow, Charnele Tate, Lauren Walsh, Barbara Woodcock and Andrew Woods.

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COREY PERRINE/STAFF (2)

Raquel Morales distributes and levels mulch with Jim Shaw during volunteer service work Wednesday at the Boys & Girls Club of Collier County. Goldman Sachs teamed up with Quarles & Brady and the Wounded Warrior Project to help beautify the exterior.

# Change of scenery

### ■ Volunteers trade offices for outdoors to help spruce up Boys & Girls Club

By Laura Layden

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Justin Hoag happily pressed out colorful stingray shapes from a machine.

One of his co-workers at the Quarles & Brady law firm in Naples, Shantel Jilani, snapped photos of him on her smartphone to send back to the office.

"This is your law degree at work," she said with a laugh.

Hoag smiled as he continued to perfect his new shape-making skills Wednesday in the library at The Boys & Girls Club of Collier County in East Naples.

The young lawyer was there as a volunteer, joining about two dozen others in a day of work for charity.

As part of a Community TeamWorks global volunteering program, Goldman Sachs in Miami led the charge, teaming up with Quarles & Brady and the Wounded Warrior Project, to offer a helping hand



Kevin Dyer plants flowers Wednesday at the Boys & Girls Club.

where a hand was needed.

The day started early with digging, planting, sodding and mulching outside before the work moved inside as the temperature rose outdoors.

Hoag, 29, didn't mind a little hard work outside — or the tediousness of pressing

out shapes.

While others meticulously cut out rocket ships with scissors, he said he was "not creative," so he chose to learn how to use the cutting machine instead.

It was nice to get a break from his real job and to get out of the office and into the sun, he said.

"This is an easy choice to volunteer and do anything at The Boys & Girls Club," Hoag said.

The day of work was part of Goldman Sachs' long-running partnership with the Naples Children & Education Foundation.

The financial advisory firm has worked with the foundation for years to do a day of service in Collier County. It often brings along its clients who want to help, too.

The Boys & Girls Club is one of the children's charities the foundation supports with grants from money it raises annually

See CLUB, 2B

A sign posted at a coffee shop in December in New York apologizes to customers for slow transactions when using newer chip credit cards. Visa says it's improving its cards for faster

transactions.
ASSOCIATED PRESS



## Visa says its chip cards will get faster

By Bree Fowler and Ken Sweet Associated Press

Visa is upgrading its software to process chipembedded credit and debit cards to function faster — addressing a source of grumbling from businesses and customers who are often forced to wait for transactions to go through

transactions to go through.
The company said
Tuesday that its program

— Quick Chip for EMV — will let customers dip and remove cards, usually in two seconds or less, without waiting for purchases to be finalized.

to be finalized.

Though the wait can be just seconds, in today's economy of swipes and scans, the cards have been a nuisance for high traffic retailers, for example, a coffee shop during the

morning rush.
"While chip cards have

been adopted and generally accepted by customers, there have been some complaints the chip transactions take longer," said Stephanie Ericksen, vice president of risk products at Visa.

Visa said the upgrade will be rolled over the next six months. While it is being announced for Visa debit and credit cards only, the technology is not exclusive to Visa and could

be adopted by MasterCard and American Express cards as well.

Chip cards have been used for years in Europe and many other parts of the world, making the U.S. a relatively late adopter.

Analysts say that's the main reason that roughly half of all global credit card fraud occurs in the U.S., even though the

See VISA, 2B

### Yahoo's deterioration accelerates ahead of a possible sale

By Michael Liedtke

Associated Press

SAN FRANCISCO — Yahoo may have hung out a "for sale" sign, but it hasn't done much to improve its curb appeal.

On Tuesday the company posted a first quarter loss on a sharp drop in net revenue, a figure that subtracts ad commissions from total turnover.

Yahoo's net revenue fell 18 percent from year-earlier period to \$859 million.

It's the largest decline in Yahoo's quarterly net revenue since the company hired Marissa Mayer as its CEO nearly four years

The company expects an even bigger net revenue drop of 20 percent in the quarter ending

Ýahoo lost \$99 million during the first quarter, compared with a \$21 million profit last year.

A big chunk of the loss stemmed from the cost of laying off about 1,000 workers during the quarter, a cut that chopped the company's workforce to 9,400 employees as of March.

That purge was part of a costcutting plan drawn up by Mayer that includes closing some of the unprofitable services started up under her reign.

Investors, however, are much more focused on whether the company is going to sell the bulk of its operations.

The Sunnyvale, California, company announced two months ago that it's considering the sale of part or all of its Internet business instead of sticking with Mayer's cost-cutting plan.

In a review of the first-quarter results, Mayer described the sales negotiations as a "top priority" and said the board is moving on an "aggressive calendar" to complete the process. She didn't provide a specific timetable.

Her comments aimed to debunk reports that Yahoo's board is making a halfhearted effort to attract bidders because she and the rest of the directors would prefer the company remain independent.

Verizon Communications has publicly said it's interested in buying Yahoo. It snapped up another fallen Internet star, AOL



Yahoo is considering selling its Internet operations amid CEO Marissa Mayers' cost-cutting plan that includes closing some unprofitable services started up under her leadership.

Inc., for \$4.4 billion last year. The Daily Mail in London also has said it was mulling a bid.

Analysts believe private equity firms that specialize in buying and turning around troubled companies are interested.

Estimates on the value of Yahoo's Internet operations have ranged from \$4 billion to \$10

Properties on the block include Yahoo's widely used email service, digital advertising tools and its still popular finance and sports sites.

Backing Mayer following the flop of her previous turnaround efforts would only alienate investors further, Mizuho Securities analyst Neil Doshi said.

'They have lost a lot of cred-

ibility," he said.

Yahoo's stock has rallied over the past two month amid expectations that it will divest its Internet operations. That would leave Yahoo as a holding company with valuable stakes in China's e-commerce leader Alibaba Group and Yahoo Japan.

Yahoo shares gained 47 cents to \$36.80 in Tuesday's extended trading.

Mayer and the rest of Yahoo's board could be ousted if the company doesn't sell and its financial results continue to worsen. Activist investor Starboard Value has nominated a slate of candidates to replace Yahoo's ninemember board in an election at the company's annual meeting, which may be held in late June.

In a Tuesday interview on CNBC, Starboard CEO Jeffrey Smith said he is trying to negotiate a settlement that would give his hedge fund several seats on Yahoo's board ahead of the annual meeting.

If there isn't a settlement, Smith said he is prepared to lead a mutiny so an entirely new

**CLUB** from 1B

from the Naples Winter Wine Festival, which includes a live auction.

"It's nice to come out and help the club in achieving its mission," said Greg Ferrero, Goldman Sachs' regional head for Florida and Latin America.

He said it was rewarding to see what a difference volunteers can make with just a few hours of their time. "It's also fun to be able to stand back and see the product of your work," Ferrero.

The landscaping done by volunteers probably would not have been done otherwise, with little time or money for it. The volunteer hours spent in the library helped the art teacher prepare for the 1,000 kids the club will serve in camps this summer.

The volunteers included six local veterans who were encouraged to participate by area representatives for the Wounded Warrior Project, a national military and veterans charity service organization. "It's good to get the veterans out. It gets them out of the house. Sometimes

Jack Shelar, center, moves sod with Rick Grauf, left, during volunteer service work Wednesday at the Boys & Girls Club of Collier County.

they're isolated," said Jack Shelar, a Warrior outreach specialist.

Ike, a service dog who came with Army veteran Paul Whelan, was clearly the most popular volunteer, in the middle of everything.

When new sod went down, he lay on it. The friendly German shepherd quickly became known as the "supervisor," though he didn't bark out any orders.

With all the support he's gotten from Wounded Warrior, Whelan, who served in the military for 25 years and lives minutes from The Boys & Girls Club, said it's nice to be able to give back in his community. He enjoyed the yard work most.

Another veteran was brought to tears when asked why she decided to volunteer.

She said she had recently moved from a military town and that it had been difficult to leave so many of her friends behind and make new ones here.

She was quickly adopted by Shantel Jilani and Kerlyne Luc, both legal assistants at Quarles & Brady.

The three laughed all morning as they planted a rainbow of flowers in beds out front, replacing the

wilted ones.

"It makes you feel good that you're contributing something positive to your community," said Luc, 35. "My husband does the gardening at home. I can see why he does it, that's for sure. It's therapeutic."

Skip Robinson, The Boys & Girls Club's chief operating officer, said he didn't want to let the three go after seeing their hard work and positive attitude.

"They're not going back to work," he quipped. "This is their new job."

Robinson encouraged others in the group to keep volunteering at the club. "I want you back this weekend," he said.

Theresa Shaw, the club's president and CEO, said the volunteer effort shows the community supports her organization's mission, which is to enable all young people to reach their full potential as productive, caring, responsible citizens, especially those who need the club's services the most.

The club in East Naples serves more than 550 kids a day in its afterschool programs, which include a free dinner.

"To give back is what we teach and encourage our kids to do," Shaw said.

## E.U. expands war with Google in antitrust probe

By Raf Casert

Associated Press

BRUSSELS — The European Union is broadening its battle with Google, alleging that the technology giant rigs the global market for mobile apps by making its Android operating system give preferential treatment to its own products.

"Google's behavior denies consumers a wider choice of mobile apps and services and stands in the way of innovation," E.U. Antitrust Commissioner Margrethe Vestager said Wednesday.

The Android operating system is designed to feature Google's search engine, maps, Gmail, You-Tube video service and other products that give the company more opportunities to sell digital ads.

Device makers don't have to use Android as Google sets it up, but European regulators are looking into complaints that the company penalizes those that deviate from Google's favored design.

Vestager kicked off what is likely to be a protracted legal battle with a so-called Statement of Objections accusing Google of using its high market share to force its apps on custom-

Vestager said Wednesday's move in no way prejudges the outcome of its investigation.

"It is an interim step and not the end of the road," Vestager said.

Google strongly denied the charges, and its general counsel Kent Walker said the company is looking "forward to working with the European Commission to demonstrate that Android is good for competition and good for consumers."

The 28-nation E.U. also has other investigations against Google, with the biggest centering on its search services.

The E.U. filed a complaint a year ago alleging that Google has been improperly favoring its own shopping comparison service in its own search results. Google has adamantly denied those allegations, too.

If it's determined Google broke the E.U.'s antitrust laws, the company will face a fine of up to 10 percent of its revenue in addition to potential overhaul of how it distributes An-

droid. That would translate into a penalty of \$7.5 billion, based on Google's revenue last year.

Vestager noted that Google had shares of over 90 percent in Europe in the markets for general Internet search services, licensable smart mobile operating systems and app stores for the Android operating

Her view is "that Google has abused its dominant positions in these three markets.'

Four out of every 5 smartphones and tablets globally, and in the European market, use Android. Google has stormed the market since it began eight years ago to give away its Android software for free to manufacturers to counter the runaway success of Apple's iPhone.

The E.U.'s case could turn into a major blow to Google if it results in changes that undercut the company's growth in the mobile ad market.

As people become increasingly tethered to their smartphones, Google eventually expects to make more money from mobile devices than it does from the traffic it gets on personal computers.

This year Google's worldwide revenue from mobile ads is expected to total \$34 billion, more than doubling from \$16 billion two years ago, according to the research firm eMarketer.

Google gets a big chunk of that money from ads on Apple's iPhones, but Android commands a larger audience. Android powers billions of mobile devices throughout the world, largely because it doesn't cost phone and tablet makers anything to use the software.

"Dominant companies have a responsibility not to abuse their position," Vestager said. "Google has abused its dominant position."

Investors, evidently, aren't too worried about the E.U. cases damaging Google. Shares in Alphabet Inc., Google's holding company, dipped by just \$1.33 to \$774.92 Wednesday.

While Vestager complains about Android's restrictive licensing practices," Google's Walker emphasized that the company's agreements allow its partners to use and modify the software at will.

Single-family home prices were up 10.3 percent, to \$209,500 from

But price growth wasn't particularly robust in Southwest Florida.

In the Naples-Immokalee-Marco Island area, they rose 3.7 percent, to \$420,078 from \$405,000, while in Cape Coral-Fort Myers they were up 4.2 percent, to \$225,000 from \$216,000.

Marco Island broker associate Gerry Rosenblum said island prices were skewed by a few very high end sales last year, which encouraged other sellers to jack up their prices to levels that buyers wouldn't touch.

Now many properties are being put back into the selling strike zone, he said.

Town houses and condos increased 3.3 percent statewide, to \$155,000 from \$150,000.

In Naples, multifamily prices jumped a little more, by 3.4 percent, to \$260,500 from \$252,000.

But in the Cape Coral-Fort Myers area, they fell 4.2 percent, to \$172,500 from \$180,000.

Throughout the region, more inventory has mitigated last year's price spikes.

On Friday a report by the Naples Area Board of Realtors indicated the overall supply of housing increased by a third in March from a year earlier, to 5,661 from 4,253 units.

A report by Florida Gulf Coast

MLS, released Wednesday, showed supply has been growing in the Cape Coral-Fort Myers area, as well, fu-

eled by a number of new listings. Active listings were up 8 percent for single-family homes, to 5,811 from 5,360 and 29 percent for town houses and condos, to 3,154 from 2,442, the

multiple listing service said. Laura Shay, a spokeswoman for the Realtor Association of Greater Fort Myers and the Beach, said she wasn't sure why home sales are slowing in Lee County, but observed that compared with the prior year, prices have been steadily rising and closed sales have been falling for the last six months.

However, she added a note of hope. "Compared to the start of the year, sales are actually up," she said.

VISA

country makes up only about a quarter of all credit card transactions, according to a report by Barclays last year.

The credit card industry set a deadline of Oct. 1, 2015 for banks to issue chip-enabled cards and retailers to install and activate new terminals capable of processing chip transactions.

After that date, liability for fraudulent transactions shifted to whichever party in a transaction hadn't upgraded to the new technology. Before that, the costs always fell on the banks.

Despite that, not all retailers have been quick to adopt the change. But that's mainly been a result of a backlog in the certification process required to use the new chip software and hardware, Gartner analyst Avivah Litan said.

"Sometimes you see where they've put a piece of Scotch tape over the reader and that's because they can't accept the cards," Litan said. "And yet, meanwhile, they're stuck with the liability. It's really not fair."

Some retailers have been so frustrated by the slow certification process that they've filed suit against the credit card companies over it, she said. Litan added that while

slow chip transactions can

be irritating, a retailer isn't

going to shell out for the technology and then not use it. But she added that some big box retailers have  $created\,\bar{t}heir\,own\,software$ with the intent of speeding up transactions. Chips provide sig-

nificantly more security

than traditional magnetic

Visa says Quick Chip for

EMV will let customers dip

and remove cards, usually in

two seconds or less, without

waiting for purchases to be

finalized.

ASSOCIATED PRESS

strips, because rather than sending an actual card number to a retailer, the chip instead sends a unique code that's assigned to the transaction. That means that if a crook acquired that code, it couldn't be used to make another purchase.

are much harder, if not impossible, to duplicate, while magnetic cards can easily be copied. But the technology isn't perfect. Chips are no help in "card not present" transactions, such as those made online, because they still require users to enter the actual

Visa Inc. said that more than 265 million of its credit and debit chip cards have been issued to date.

In addition, chip cards

credit card number.